24 August 1976

MEMORANDUM FOR THE RECORD

SUBJECT : Unfunded Nature of Implementation of Applicant
            Processing Project

REFERENCE: Memo for C/MAS/DDA fr D/Pers dtd 19 Aug 76 (draft)
            subj: Efficiency Evaluation Project

    1. On reviewing our copy of the reference, I found that the
project, which originally was to be a survey to seek cost savings
and service improvement in applicant processing records, had been
expanded to include system implementation by September 1977, should
the survey phase show the project to be feasible and desirable.

    2. The memo failed to indicate that the capital funds for
such implementation are not included in the budget for FY 1977.
Accordingly, I have alerted C/MAS/DDA, and Helene Boatner, O/Compt,
that the project implementation is not funded. Helene advised me
that the project proposal, as drafted, has been forwarded to OMB
but that we should not, at this time, worry about the funding aspects.
She will notify the OMB examiner that the project is unfunded.
Should it prove feasible and desirable, as I am confident, we will
have funding options that would include possible FY 1977 funding from
DDA or Agency sources or, if necessary, postponement to FY 1978.

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Frank,

In all my earlier discussion I
had only referred to a study, not
to implementation of the system.
As laid out in this memo, the system
will be implemented in FY 1977, if
the study shows it to be desirable
and feasible. We know enough now to
anticipate that the study will show
desirable courses of action.

One major problem remains. There
are no funds in the FY 1977 budget for
any xp expenditures associated with this
project.

My preference had been to do the
study, then to consider how to fund
any desirable actions, leaving open the
alternatives of scaring up funds in FY
1977 or budgeting in FY 1978. But it
seems that we are committed now toxf
fund, even if we (or the Agency) must
absorb. Not good......

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8-24-7x